

# Facts About Fairfax County Mandates

The estimated net cost to the County to comply with mandates in FY 2006 is approximately \$660 million for all funds. As a subset of that, the estimated net cost to the County to comply with mandates in just General Fund agencies is approximately \$506 million. If these mandates were fully funded and General Fund funding was not required, the Fairfax County real estate tax rate could be reduced by approximately 23 cents.

The County's cost to comply with federal and state mandates has been increasing an average of 8 percent annually for the last ten years.

## Did You Know?

Fairfax County expects to spend over \$1,193 million on federal and state mandates in FY 2006. Only \$533 million is recoverable through federal, state and user fee revenue, for a net cost to the County of \$660 million.

The estimated net cost to the County to comply with mandates has risen from 52 percent of total mandate requirements to 55 percent in the last two fiscal years.

|         | Estimated Total Expenditures for Mandates | Estimated Total All Revenue for Mandates | Estimated Net Cost to the County to Comply with Mandates | Net Cost as a Percent |
|---------|---|--|--|-----------------------|
| FY 2004 | \$1,053 million                           | \$507 million                            | \$546 million  | 52 %                  |
| FY 2005 | \$1,079 million                           | \$497 million                            | \$582 million  | 54 %                  |
| FY 2006 | \$1,193 million                           | \$533 million                            | \$660 million  | 55 %                  |

Federal/state mandates are costing the County more in expenditures, revenue available to offset those costs is not keeping pace with the growth in expenditures, and the net cost to the County is continuing to rise.

Examples of Federal mandates: the Head Start program for low-income children, the American with Disabilities Act (ADA) and the Health Insurance Portability and Accountability Act (HIPAA).

Examples of programs operated to meet state mandates include the real estate assessment program in the Department of Tax Administration, the Land Records program in Circuit Court; and the public safety criminal justice academy.

Unfunded mandates are important to Fairfax County because they compel the Board of Supervisors to divert local tax dollars to support federal and state programs rather than using tax dollars to support and expand local services and priorities.